

SEP 23 1999 1200



CITY OF REDDING

OFFICE OF THE CITY COUNCIL

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September 22, 1999
W-030-550-700

Robert C. Anderson, Mayor

David L. McGeorge, Vice Mayor

Mark H. Cibula, Council Member

Pat Kight, Council Member

Michael J. Pohlmeier, Council Member

Mr. Lester Snow
Executive Director
CALFED Bay-Delta Program
1416 Ninth Street, Suite 1155
Sacramento, CA 95814

Dear Mr. Snow:

Subject: Draft Programmatic EIS/EIR - June 1999

On behalf of the City of Redding (Redding), I would like to take this opportunity to provide CALFED with comments regarding the Draft Programmatic Environmental Impact Statement/Environmental Impact Report (Draft PEIS/EIR) from the perspective of both a Central Valley Project (CVP) water customer and a CVP power customer. Previously, Redding provided CALFED with a letter dated November 23, 1998 (attached), that outlined the unique geographic position that Redding occupies with regard to the water storage system, rivers, channels, and canals that comprise the water conveyance infrastructure of Northern California. Redding's letter outlined City Council approved goals and objectives related to the goals of the CALFED Program. With recent completion of the Draft PEIS/EIR, we would like to compliment CALFED with its undertaking of the difficult task of balancing the various interests and proposing a staged programmatic implementation and decision-making process that seek public input. Our review of the document was focused around the CALFED solution principles that the solutions must:

1. Reduce Conflicts in the System
2. Be Equitable
3. Be Affordable
4. Be Durable
5. Be Implementable
6. Have No Significant Redirected Impacts

In order to facilitate the double water/power perspective of Redding, our comments are appropriately separated:

Water Supply Issues

The Preferred Alternative presented in the Draft PEIS/EIR provides guarantees for fish and wildlife but only paper promises for urban and agricultural water users. CALFED agencies must recognize

that all water supply and environmental issues are not necessarily Delta related. CALFED should also recognize that the Northern Sacramento Valley water users do not rely upon the Delta for their water supplies and are not major contributors to the environmental problems in the Bay-Delta. Our community is at the head of a very reliable water system with good quality water and our local economy has much at stake in a successful solution to the state's pressing water needs. Many of our local business interests have expressed concerns about the proposed CALFED Program. The proposed CALFED Program will keep control of the water flow that will adversely affect the economy, jobs, and quality of life throughout our areas as well as the state. The proposed CALFED Program is very vague in meeting future water needs for our region as well as water quality needs. The CALFED Program offers no reliable commitment to invest in much needed facilities to help improve our water supply or water quality. The Draft PEIS/EIR indicated that during Stage 1 CALFED will investigate storage requirements as part of its Water Management Strategy. Through this process "CALFED will identify acceptable projects, and initiate permitting and construction if program linkages and conditions are satisfied." These linkages and assurances have not even been developed yet. The Draft PEIS/EIR says that any appropriate new storage will be defined in Stage 1, a period covering the first seven years of Phase III. This vaguely defined lengthy process is inadequate to address the increasing and various demands for additional water supplies.

To mitigate environmental problems in the Bay-Delta will mean increasing the water supplies to meet these obligations, which will mean replacement of surface water with groundwater. Groundwater replacement may result in lower groundwater levels, lower groundwater quality, and higher pumping costs for local groundwater users. In our area over drafting of the groundwater basin would affect groundwater users who may lose the use of existing wells due to water quality problems or lower groundwater levels. Replacing surface water with groundwater without proper mitigation measures could result in adverse impacts on groundwater resources, with significant adverse economic and environmental effects, in our source water area.

As an urban water customer of the CVP, Redding water has also been paying more than an equitable share of the CVP Improvement Act (CVPIA) Restoration Fund costs since 1992.

Redding's November 28, 1998, letter to you provided Redding's goals and objectives for the CALFED Program. The Preferred Alternative to the Draft PEIS/EIR is unclear as to how it will help Redding implement its stated goals.

The Trinity River operations are a significant source of water for Redding, the surrounding area, and a critical source of the Delta's fresh water. The omission of the Trinity River operations could result in a significant impact to the CALFED Program. Reductions from the Trinity River will directly impact the Bay-Delta ecosystem and we believe these reductions must be analyzed as part of the CALFED Program.

Water Quality Issues

It is clear that Stage 1 Water Quality Efforts will focus on reducing the loading of chemicals and other constituents that effect water quality for both environmental and municipal uses. Several action items beg further explanations. The program proposes to develop and implement pesticide Best Management Practices (BMPs), implement erosion control BMPs in the upper watershed, study the impact of and implement corrective actions regarding sediment in target and upper watersheds, and

investigate alternative sources of and means of providing high quality water supply for urban users of Delta water. However, the program stops short of identifying specific watersheds or where the alternative sources of water are located. In addition, pesticide and erosion control BMPs could prove to be expensive to implement with no identifiable source of revenue with which to implement.

Water Use Efficiency

Water use efficiency measures will focus on establishing objectives, providing support for implementation, and monitoring progress of conservation programs. One of the objectives is Statewide Urban Conservation Incentives, meant to be supplemental to BMPs in the Urban Memo of Understanding. It is unclear how these conservation measures will differ from those BMPs adopted through the Urban Water Conservation Council and how statewide cost effectiveness is measured. The incentives remain unidentified and arouse speculation that money or water rights assurances may be involved. With supplemental groundwater use, Redding approaches water use neutrality.

Water rights protection is also identified as a water use efficiency measure. The CALFED Program proposes that additional legislation may be adopted in order to provide water rights protection for those agencies who have implemented water conservation measures. The Draft PEIS/EIR does not define specific measures or quantify to what extent the measures have been implemented. Conversely, the Draft PEIS/EIR offers no specific protection for riparian water rights holders, regardless of the level of implementation of water conservation measures.

Water Transfer Framework

With the myriad of issues surrounding the CALFED Program and the concerns water rights holders have continually expressed regarding assurances, it seems that CALFED would want to draft legislation to protect area of origin priorities. Instead, the document indicates that this may not be necessary, an attitude we certainly do not agree with.

Flood Control

The Preferred Alternative of the Draft PEIS/EIR lacks specific information on the operation of Shasta Dam to maximize water storage as opposed to its role as a flood control facility. Prior to the construction of Shasta Dam, the section of the Sacramento River running through Redding was subjected to record flood flows of 200,000 cubic feet per second (cfs). With the completion of Shasta Dam, the maximum flood release of 79,000 cfs has been set by the U.S. Bureau of Reclamation (USBR) and much development immediately downstream has occurred dependent on flood flows that would not exceed the maximum flow even though Shasta Dam is capable of releases of over double this rate. Of specific concern is the economic and property damage as well as the potential loss of life if Shasta Dam is operated to maximize water storage and thus compromise its ability to accomplish flood control goals effectively. It is highly conceivable that in the zeal to meet CALFED's goals of increased water storage the dam operators will be pressured to allow Shasta Dam to reach an elevation that exceeds established flood control limits. A late season warm storm could create enough runoff from rainfall and snow pack melt runoff to tax the available storage capacity. This scenario could result in the need for dam operators to release flows in excess of 79,000 cfs inundating large tracks of residential and commercial property and public property

including Redding's Civic Center and numerous other local, state, and federal agency offices. Clearly this potential should be explored and mitigation identified in the Preferred Alternative of the Draft PEIS/EIR. Mitigation may include clauses to fully compensate Redding should actions taken during flood control activities cause personal or property damage. This could be reflected in a contractual document with Redding as a part of the final plan approval.

Hydroelectric Power Issues

The Program Summary of the Draft PEIS/EIR notes that the Bay-Delta is the hub of California's two largest water distribution systems - the CVP operated by the USBR and the State Water Project (SWP) operated by the California Department of Water Resources. The summary goes on to state that, "In addition to these two major projects, over 7,000 permitted diverters have developed water supplies from the watershed feeding the Bay-Delta estuary." Further, the summary notes that, "These diversions, along with the introduction of exotic species, water pollution, and numerous other factors have had a serious impact on the fish and wildlife resources of the estuary."

Yet, with the thousands of permitted diverters and numerous other factors contributing to the impacts to the Bay-Delta, the Preferred Alternative of the Draft PEIS/EIR, as well as many of the alternatives presented in the report, appear to only study impacts related to the CVP system or the SWP system. While such an approach might establish the "worst case" bookends for both projects and be the easiest to study, CALFED's Environmental Impact Study obligations have not been properly met. Further, such a study approach does not show a potential real-world result of evenly distributed impacts to all beneficiaries. Our concern with such a narrow approach is that parties begin to address the possible solutions based solely upon the extreme cases that have been studied that appear to end up with either the CVP or the State water system shouldering the majority of the negative impacts. Further, the impact of the CVPIA required flows and any anticipated additional Trinity River diversion decreases do not appear to be accurately portrayed in the Draft PEIS/EIR.

Under certain alternatives, CVP energy production for sale to CVP preference power customers, like Redding, has been modeled to decrease substantially due to additional CALFED pumping activities. Such a fundamental assumption is flawed and leads to inaccurate conclusions. As previously noted by Northern California Power Agency in earlier (March 1998) comments to the CALFED public process, "Any new CALFED Project Use must be paid for out of new generation or by the beneficiaries of the facilities at the then current market rates, not by tapping existing CVP resources." We are very disappointed that this latest Draft PEIS/EIR continues to ignore this input. The Preferred Alternative of the Draft PEIS/EIR approach is inappropriate, and each study alternative should be reexamined using energy purchases from the restructured California energy market as the baseline for CALFED pumping activities.

As a preference power customer of the CVP, Redding has been paying more than an equitable share of the CVPIA Restoration Fund costs since 1992. The CVPIA is a separate program with specific objectives and prearranged payment obligations established by Congress. The CALFED Program should not anticipate that CVPIA monies can readily be redirected to CALFED or that CVP preference power customers are able to pay an additional cost beyond current CVPIA Restoration Fund costs for environmental mitigation projects. Nevertheless, we strongly support a close coordination between the CVPIA and CALFED to ensure the optimization of both Programs and efficient use of funds.

While the Draft PEIS/EIR acknowledges that reductions in CVP marketable energy will be likely, and such energy reductions will be made up from combustion turbines. Such an assumption would directly impact CVP rates, regional and local air quality, as well as land use for both replacement power plants and additional transmission. These are significant impacts that will need to be mitigated, economic in nature or otherwise. Both air-quality and land-use impacts go far beyond the local zoning regulations and local air quality management districts. The California Energy Commission is the lead agency, along with the State Air Quality Board and the California Independent System Operator, in siting both new generation and transmission projects. There is no easy one-stop shopping for thermal power plant development. Additionally, the state of California is just in the beginning process of electricity deregulation where the development and completion of new power plants and transmission projects are speculative at best. CALFED Project mitigation of such environmental impacts would be essential and the beneficiaries of such actions would need to bear the mitigation costs. CALFED's lack of commitment to resource replacement mitigation violates both CALFED's commitment to improving the ecosystem as well as runs contrary to most, if not all, of CALFED's solution principles.

Also, by increasing water supplies to meet downstream water obligations, there likely will be an impact on the time and duration of power output. While replacement power could possibly be generated utilizing environmentally clean sources, higher production costs would occur. Again, such costs should be borne by the beneficiaries of CALFED actions and not by CVP preference power customers.

Conclusion

The CALFED Draft PEIS/EIR, on the whole, offers very little in terms of specifics outside the local Bay-Delta watershed. It appears that details will only be available just before the Record of Decision. This certainly does not give affected areas a chance to fully respond to CALFED's comprehensive plan in general or this Draft PEIS/EIR specifically. Despite the volumes of CALFED documents, the information provides a disturbing lack of detail on key issues. CALFED needs to accomplish a program that will be equitable and balanced among the needs of urban, agriculture, and the environment.

We are very concerned about the many potential adverse impacts to Redding including increased costs of providing water and electricity services to our community. The CALFED Program needs to better recognize and mitigate the impacts on upstream areas of origin to be true to its philosophy of no redirected impacts.

Sincerely,



Robert C. Anderson
Mayor

Attachment

c: Congressman Wally Herger
Senator Maurice Johannessen
Assemblyman Dick Dickerson



CITY OF REDDING

OFFICE OF THE CITY MANAGER

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November 23, 1998

W-030-550-700

Michael Warren, City Manager

Phillip A. Perry, Assistant City Manager

Kurt Starman, Deputy City Manager

Lester Snow, Executive Director
 CalFed Bay-Delta Program
 1416 Ninth Street, Suite 1155
 Sacramento, CA 95814

Dear Mr. Snow:

Subject: City of Redding Goals/CalFed Bay-Delta Program

The City of Redding has been following the activities of the CalFed Bay-Delta Program (CalFed) for some time and appreciates you conducting hearings and workshops in our City. From your visits here, it must have been very obvious that Redding occupies a unique geographic position in the system of rivers, channels, and canals that comprise the conveyance infrastructure that supplies northern California water to the Bay-Delta. As the only urbanized area on the Sacramento River north of Sacramento, the City of Redding, like other communities to south, depends on the river to accommodate our growth. However, we differ from most urban areas in that we use the water and return it to the river and ecosystem 200 miles upstream from the Bay-Delta. Thus, measures that may typically be appropriate for other urban areas may actually achieve results in Redding that detract from CalFed goals.

To assist CalFed agencies in understanding Redding's unique situation, the City Council recently embraced a set of goals and objectives related to the CalFed Program. As you can see in reviewing the attached outline of our goals and objectives, they match well to the published goals of CalFed. Thus, as the CalFed Program focuses on developing the framework for decisions necessary to complete Phase II and begin Phase III, we trust the City of Redding's goals and objectives will be met.

Thank you in advance for your consideration and, if you need clarification on any item on the attached document, please feel free to contact my office at 530-225-4060 or Mort August, Director of Public Works at 530-225-4170.

Sincerely,

Mike Warren
 City Manager

mw/ma/kr/79.ma

Attachments

c: State Senator Maurice Johannessen
 Representative Elect Dick Dickerson
 Governor Pete Wilson, Attention: George Dunn
 Governor Elect Gray Davis
 Joe & Anthony Gonsalves

**CITY OF REDDING GOALS
CALFED PROGRAM
November, 1998**

- A. Recognition that the City of Redding is a unique urban area that depends on the Sacramento River and Trinity Diversion water 200 miles north of the Delta for its growth and quality of life. Interpretation of CalFed program measures need to:**
- 1. Recognize Redding's unique situation when developing measures for urban areas.**
 - 2. Be based on factual information and reflect impacts of ancillary issues such as the Trinity River Reoperation Plan.**
 - 3. Recognize that Redding is a Central Valley Project's (CVP) customer and pays into the Restoration Fund of the CVPIA.**
 - 4. Any increase in cost and fees should be commensurate with measurable and demonstratable benefits. Water and electrical uses should achieve measurable benefits throughout the CalFed implementation period.**
- B. In order to assist CalFed in the protection of key aquatic species, funding from the CalFed program, Category III, and other appropriate sources should be directed to fund beneficial projects in the greater Redding urban area. Examples of suggested beneficial projects include:**
- 1. Large diameter isolated raw water conveyance system from Keswick Dam to turnout points for the City of Redding, Anderson Cottonwood Irrigation District (ACID), and Bella Vista Water District. This will allow removal of ACID diversion structure and fish ladder, City of Redding and Bella Vista Water District river intakes and reduces water consumption for treatment processes. Estimated cost \$30 million.**
 - 2. River intake fish screen upgrades. Estimated Cost, \$1 million.**
 - 3. Flood control measures to reduce sediment transport. Estimated Cost, \$25 million.**
 - 4. Enhance and preserve side stream, riparian, fishery, and watershed characteristics.**
- C. The CalFed program anticipates the need for additional water resources for ecosystem restoration within the Bay-Delta Watershed. Actions which minimize the need for the use of surface water in areas tributary to the Bay-Delta may provide significant benefits. CalFed should make available adequate funds for local communities, counties, and special districts to carry out integrated resource planning of all available water resources. This planning should include identification of groundwater basin's safe yield through development of an integrated resources plan including a groundwater monitoring program and model. In addition, funding should be available to assist in the development of reuse of wastewater and reductions in water treatment process consumption. Such measures include:**
- 1. Development of groundwater wells, storage, and conveyance systems. Estimated cost \$10 million.**

2. Development and construction of reclaimed water storage and distribution systems for irrigation and industry cooling water. Estimated cost, \$25 million.
 3. Upgrade existing treatment facilities to reduce backwash wastewater. Estimated cost, \$5 million.
 4. Assist the City with water conservation education and conversion to low and ultra low water fixtures. Estimated cost, \$5 million.
- D. The CalFed program has recognized that the most important issue to urban California is water quality. Therefore, the CalFed program should empower local communities, cities, counties, and special districts to enhance river water quality. Funding should be made available to make improvements in the existing infrastructure where benefits to the Delta are available.
1. Enhance the City's ability to improve potable water quality and thus quality of wastewater. Estimated cost, \$30 million.
 2. Assist in developing and implementation Best Management Practices (BMP) related to NPDES and storm water runoff regulations. Estimated cost, \$5 million.
 3. Replace existing deteriorated and undersized sewer collection system to alleviate raw sewage seepage and overflow. Estimated cost, \$50 million.
 4. Assist property owners in abandoning and removing septic systems and connecting to sewer systems. Estimated cost, \$15 million.
 5. Conduct study to establish baseline water quality of intake and outfall locations. Estimated cost, \$1 million.
 6. Identify and implement new technology to remove leachate, tannic acids, and other detriments to water quality that, if not removed at the head waters, are transported south.
- E. Nearly every urban area of California will grow in population during the CalFed program's thirty year implementation schedule. The Assurances package developed by CalFed must not preclude the availability of sufficient water, at a reasonable cost to northern California urban communities, or southern California communities.
1. The City of Redding area of origin water rights shall be preserved in perpetuity at no increase in cost.
 2. Develop and construct sufficient raw water/treated water storage to operate systems at optimal levels for a five day period in the event of mandatory conservation reductions and events that may jeopardize water quality. Estimated cost, \$50 million.
 3. Water availability from the CVP should be expanded to provide 90% of the City's ultimate water needs.
 4. The north state communities which are in the area of origin must have the ability to use local water to grow, and have priority for its use. Under no circumstances should Redding be caused to acquire water purveyed to other areas.

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